

SANTA BARBARA COUNTY BOARD OF SUPERVISORS

NOVEMBER 14, 2017



**State Cannabis Licensing Options and Medical
Marijuana Termination of Exemption
Ordinance Amendment**

2

State Cannabis Licensing Options

Background-Temporary Licenses



3

- ❑ October 17, 2017 - Board rejected a proposed process to determine legal, nonconforming status of existing medical cannabis cultivation operations
- ❑ The Board asked staff to follow up with the State on State's temporary (interim) license process
- ❑ Temporary licenses will be good for 120 days with 90 day renewals possible if a complete license application has been submitted
- ❑ County to provide authorization letters for submission with a request for temporary state licenses

Background-Temporary License



4

- By statute & discussion with State staff, Authorization Letter must contain:
 - Name of applicant for temporary license
 - Specific cannabis activity being licensed
 - Specific location for the stated cannabis activity
 - State emergency regulations may have other requirements
- County prohibitions continue for all cannabis operations with a limited exemption for some medical cultivation
- Letter of Authorization possible for medical cannabis cultivators that meet exemption requirements in Article X

Letter of Authorization – Option 1

5

Medical cannabis cultivators may:

- ❑ Submit a request for a Letter of Authorization to CEO
- ❑ Submit a sworn affidavit attesting to qualification for the medical cannabis cultivation exemption in Article X
 - ❑ Affidavit must provide details and descriptions of who, where and when medical cannabis cultivation began
 - ❑ Affidavit could also require that the applicant, upon request by the County, provide documentation as to its qualifications as a medical cannabis cultivator
- ❑ Staff would prepare the letter using facts from affidavit and possibly registry data

Letter of Authorization – Option 2

6

- Staff would not act on requests for temporary State licenses until the adoption on possible new business licensing and land use permitting ordinances in early 2018
- Following the effective date of the licensing and permitting ordinances, staff would process requests for letters of authorization based on the requirements of those ordinances

State Annual Licenses

7

- State is expected to accept applications for temporary and annual licenses on January 2, 2018
- Applicants for annual State licenses have the option of filing application with or without local license, permit or authorization
- State will notify local jurisdictions of each application
- County can respond with whether the applicant is compliant or not compliant OR
- County can remain silent and after 60 days the state license would be issued

Gap/Transition Period State Licensing

8

- If licenses and permits are approved by the Board, it won't be effective until approximately late-March in the inland portion of the unincorporated area and after Coastal Commission certification in the Coastal Zone
- Direction on operational options during the three to four month period (twelve to fifteen months in the coastal zone) is important as we examine scale, scope and timing of possible staffing

Gap/Transition Period State Licensing

9

- Staff has developed some options for this period, if the Board approves licensing and permitting
- Inland & Coastal Area:
 - Option 1: Inform State that applicants aren't in compliance since the prohibitions are still in place; new ordinances not in effect. Once local ordinances are effective, local licenses and permits could be issued and State notified
 - Option 2: Do not respond and allow state licensing to occur after 60 days. Local licensing and permitting could follow. If local license or permit are not issued, State is notified

Gap/Transition Period State Licensing

10

- Coastal Areas only:
 - Option 1: Same as Option 1 above. Inform State that prohibitions are still in place
 - Option 2: Inform the licensing authority about the proposed operation's compliance with the ordinance. Compliance would be determined by:
 - Completing a local application and site visit by local licensing and permitting staff that confirms compliance with local licensing and permitting requirements, or
 - Completing a local application and actively participating in a consultation process with planning or business licensing staff to assess compliance with the effective, but not operative, ordinances.
 - Option 3: Same as Option 2 above. Do not respond and allow state licensing to occur after 60 days

Board Guidance or Direction

11

- What option would the Board direct staff to take on providing a Letter of Authorization to applicants for Temporary State Licensing?
 - Option 1: Provide letter based on affidavit & registry?
 - Option 2: Do not provide a letter?

12

**Medical Marijuana
Termination of Exemption
Ordinance Amendment
Case No. 17ORD-00000-00007**

BACKGROUND



13

- 7/11/17 - the Board of Supervisors directed County staff to prepare amendments to Article X, Medical Marijuana Regulations, that would:
 - Establish a process to determine the legal non-conforming status of existing medicinal cannabis cultivators; and
 - Provide for the termination of legal non-conforming status so that sites must either obtain County permits or cease operations

BACKGROUND



14

- 10/17/2017 - the Planning and Development Department presented the requested amendment to the Board of Supervisors
 - Board of Supervisors deferred action on the proposed amendment to Article X
 - Directed staff to return with an amendment providing only for an amortization period of any existing legal, non-conforming cannabis operations

PROJECT ANALYSIS



15

- The revised amendment to Article X would add language providing that the existing exemption for nonconforming cultivation locations will terminate:
 - 6 months after the operative date of the County's new regulations, or 18 months from the effective date, whichever is later, or
 - At a later date provided the operation:
 - Could be allowed under the County's new regulations,
 - Complies with the restrictions on nonconforming uses, and
 - A complete application for a permit has been submitted prior to the termination date



RECOMMENDATION

16

- Provide direction to staff on providing a Letter of Authorization for Temporary State Licenses,
- Make the findings for approval, including CEQA findings, of the proposed ordinance,
- Determine that the adoption of the proposed ordinance is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) of the CEQA Guidelines
- Adopt an ordinance, Case No. 17ORD-00000-00007, amending Article X of Chapter 35, Zoning, of the County Code